

January 12, 2017

## **VIA ELECTRONIC FILING**

Marlene H. Dortch, Esq. Secretary Federal Communications Commission 445 12<sup>th</sup> Street, S.W. Washington, D.C. 20554

Re: Promoting the Availability of Diverse and Independent Sources of Video Programming, MB Docket No. 16-41

Dear Ms. Dortch:

On January 11, 2017 Daphna Ziman and Rod Sherwood of Cinémoi North America LLC ("Cinémoi"), Ellen Schned of EJS Media and the undersigned of Hope-Beckham Inc, met telephonically with David Grossman, Chief of Staff and Media Advisor to Commissioner Clyburn regarding the above-referenced proceeding ("Independent Programming NPRM").

Ms. Ziman and Mr. Sherwood shared Cinemoi's concerns about the health of the television industry and availability of diverse and independent voices. Specifically, Cinémoi explained that the arms race for marketplace leverage between broadcasters, programming conglomerates and MVPDs has created an untenable environment for emerging independent channels. These conglomerates create new channels of regurgitated and repackaged content that are bundled together in order to demand an increasing share of licensing fees. In an effort to insure these massive investments in programming, most favored nation clauses ("MFNs") and alternate distribution method clauses ("ADMs") have become increasingly aggressive and disproportionately putative programmers without leverage.

To that end, Cinémoi noted that by focusing just on ADMs and MFNs and not on program bundling, the FCC's Independent Programming NPRM seeks only to treat the symptoms of the disease that plagues the industry, not the ailment itself. Cinémoi encouraged Mr. Grossman and Commissioner Clyburn to review the competitive impact of program bundling and the effect it has on diversity as part of this proceeding.

Respectfully submitted,

/s/ John Simpson

John Simpson Consultant to Cinémoi 202-604-2612

Cc: David Grossman